

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
DIVISION II
CIVIL ACTION NO. 04-CI- 952

FILED

JUN 1 2005

FRANKLIN CIRCUIT COURT
JANICE MARSHALL, CLERK

Commonwealth Of Kentucky, ex rel. The Executive Director of the
Office of Financial Institutions of the Commonwealth of Kentucky
vs.

PLAINTIFF

Burchett Oilco, Inc.

and

Steve Burchett, Personally

DEFENDANTS

AGREED ORDER PURSUANT TO CR 65

Upon mutual Agreement of the Plaintiff, the Executive Director ("Executive Director") of the Office of Financial Institutions Of the Commonwealth of Kentucky ("Office"), and the Defendants, Burchett Oilco, Inc. and Steve Burchett, Personally, this Court being otherwise sufficiently advised;

IT IS HEREBY ORDERED THAT:

Defendants, Burchett Oilco, Inc. and Steve Burchett, shall no longer engage in any aspect of the business of offering or selling securities at any time for any reason. Neither Defendant shall engage in any aspect of such securities business within or outside of the Commonwealth of Kentucky.

The Defendants shall never violate the Securities Act of Kentucky in the future. In addition, the Defendants shall never violate the regulations enacted under the Securities Act of Kentucky or the Orders of the Executive Directors of the Office or the Commissioners of the Department of Financial Institutions that remain in force.

Steve Burchett shall not offer or sell securities and/or interests in any oil and gas venture from Kentucky to non-Kentucky residents or to Kentucky residents nor shall he offer or sell such

securities and/or interests from outside Kentucky to residents of Kentucky. This shall include, but not be limited to, interests in oil and gas ventures in the form of partnerships, limited partnerships, joint ventures, corporations, and limited liability companies.

Steve Burchett shall not be an officer, director, manager, or other such control person of any entity which offers or sells securities and/or interests in oil and gas ventures from Kentucky to non-Kentucky residents or to Kentucky residents or which offers or sells such securities and/or interests from outside Kentucky to Kentucky residents.

Steve Burchett shall not have any direct or indirect ownership interest in any entity which offers or sells securities and/or interests in oil and gas ventures from Kentucky to non-Kentucky residents or to Kentucky residents or from outside Kentucky to Kentucky residents.

Steve Burchett shall receive no commission, remuneration, or financial benefit from the offer or sale of any securities from Kentucky to non-Kentucky residents or to Kentucky residents or from the offer or sale of such securities and/or interests from outside Kentucky to Kentucky residents.

IT IS FURTHER ORDERED THAT:

Notwithstanding this Order, Steve Burchett may continue to engage in the business of drilling for oil and/or gas within and outside of the Commonwealth of Kentucky for compensation commensurate with his efforts to do same. This allows Steve Burchett, among other things, to do things like secure drilling equipment, oversee the drilling operations or actually operate a drilling rig, assist in any of these tasks, or advise in connection with these tasks.

This express permission for Defendant Steve Burchett to engage in the business of drilling for oil and/or gas permits him to engage in any aspect of said drilling business **EXCEPT** for the raising of the money to drill the wells and receiving remuneration and/or commission from such raising of money to drill said wells. Nevertheless, this Order shall **not** prevent Steve Burchett from receiving

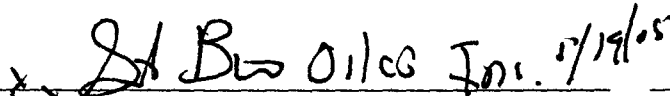
fair market compensation for any work performed in the act of drilling oil and/or gas wells and functions related thereto, **EXCEPTING** the work of raising the money to fund said activities.

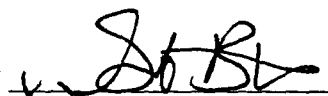
IT IS FURTHER ORDERED THAT:

Steve Burchett shall not receive compensation, remuneration, dividends, gains, or income of any sort whatsoever, through any company or entity that he would not be permitted to receive directly pursuant to the terms of this Order.


Judge William Graham
Franklin Circuit Court

AGREED TO this the ____ day of January, 2005.

by  Burchett Oilco, Inc. 1/19/05 Date Steve Burchett 5/19/05 Date

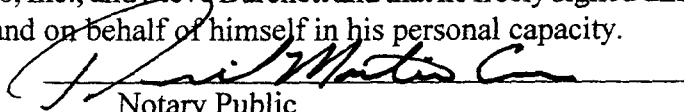
By  5/19/05
Steve Burchett Date

ACKNOWLEDGEMENT

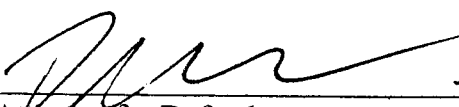
County of: Clinton

State of Kentucky

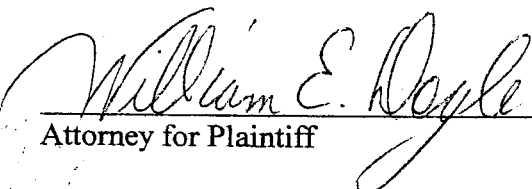
On this 19 day of ~~January~~ ^{MAY}, 2005, Steve Burchett personally appeared before me and acknowledged to me that he is authorized to execute this Agreed Order on behalf of Burchett Oilco, Inc., and Steve Burchett and that he freely signed this Agreed Order on behalf of the entity and on behalf of himself in his personal capacity.


Notary Public
My Commission Expires: 8/8/06

HAVE SEEN AND AGREED TO:

 5-16-05

Attorney for Defendants Date

 5-23-05

Attorney for Plaintiff Date